November 25, 2013

Honourable Eric Robinson
Department of Aboriginal and Northern Affairs
344-450 Broadway
Winnipeg MB R3C 0V8

Dear Minister Robinson:

I am pleased to provide you the 2013 Aboriginal and Northern Affairs Capital Approval Board Report. The board convened at the Viscount Gort, Winnipeg, Manitoba on September 17 & 18, 2013.

This report includes:

1. Minutes of the meeting
2. List of recommended projects
3. List of continuous improvement recommendations

The 2013 Capital Approval Board is recommending projects in category 2 maintaining/replace existing and category 3 new infrastructure totalling $2,101,281.00 from a possible allocation of $3,000,000.00 leaving a variance of $898,719.00.

Due to a low volume of recommended applications in 2012 the Capital Approval Board did not convene. However, legislative projects were approved internally for delivery in 2014/2015 and 2015/2016 respectively and are included in this report.

It was determined in 2012 that categories 2 & 3, maintaining/replace existing and new infrastructure would no longer be approved two years in advance, but rather one year in advance with category 1, legislative remaining as a two year advance approval.

In closing, I would like to thank you for the opportunity to work with the board members and departmental staff.

Yours truly,

Gerard Jennissen, Chair
Capital Approval Board

Enclosure (Report)
cc. Board Members

Capital Approval Board Report

November 2013

Membership 2013 CAPITAL APPROVAL BOARD

CHAIR
Gerard Jennissen
Box 234
Cranberry Portage, MB R0B 0H0

NACC President
Reg Meade, Mayor
750-331 Smith Street
Winnipeg, MB R3B 2G9

Eastern Representative
Gabriel Boulette, Councilor
Incorporated Community of Seymourville
Box 2568
Wanipigow, MB R0E 2E0

Eastern Alternate
Vacant

Western Representative
Lorne Huhala, Councillor
Mallard Community Council
Box 39
Duck Bay, MB R0L 2C0

Western Alternate
Robert Lavallee, Councillor
Rock Ridge Community Council
Box 14
Rock Ridge, MB R0L 2K0

Northern Representative
Cristo Spiess, Mayor
Norway House Community Council
Box 5100
Norway House, MB R0B 1B0

Northern Alternate
Maurice Clemons, Councillor
Thicket Portage Community Council
Box 80
Thicket Portage, MB R0B 1R0

Departmental Representatives

Northern Region
Armand Barbeau, Director
Jianjun Peng, Manager T&PW
Box 27, 59 Elizabeth Drive
Thompson, MB R8N 1X4

North Central Region
Karen Barker, Director
Albert Sandberg, Manager T&PW
27 Second Avenue
Dauphin, MB R7N 3E5

Capital Approval Board Report

November 2013

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Project Assessment

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Section I

Project Assessment

Category I – Legislative Category – 2012 & 2013 Internal Approval

NORTHERN REGION			
Legislative			
Community	**Project**	**Cost**	**Comments**
Gods Lake Narrows	Sewage Treatment Plant	1,000,000.0	2013 approval
Moose Lake	Waste Disposal Site	1,200,000.0	2012 approval
Nelson House	Lagoon Engineer and Design	200,000.0	2012 approval
Nelson House	Pump House	450,000.0	2012 approval
Pelican Rapids	Water Treatment Plant Construction Engineer and Design	1,080,000.0	2012 and 2013 combined funding approval
Sherridon	Water Treatment Plant Expansion	1,397,500.0	2012 approval
	Total Recommended Amount	**$5,327,500.0**	

NORTH CENTRAL REGION			
Legislative			
Community	**Project**	**Cost**	**Comments**
Bissett	Water Treatment Plant	2,000,000.0	2012 approval
Manigotagan	Water Treatment Plant Upgrade	100,000.0	2012 approval
Matheson Island	Waste Disposal Site	200,000.0	2013 approval
	Total Recommended Amount	**$2,300,000.0**	
	Grand Total	**$7,627,500.0**	

Category II – Maintaining Existing Infrastructure – 2013 Capital Approval Board

NORTHERN REGION				
Maintain/Replace Existing				
Community	**Project**	**Cost**	**Score**	**Comments**
Dawson Bay	Community Hall Siding Replacement	37,318.0	40	Recommended
Easterville	Public Works Water Truck	25,106.0	70	Recommended
Easterville	Admin Building Indoor Lighting Upgrade	20,844.0	65	Recommended
Gods Lake Narrows	New Sewage Truck	103,535.0	80	Recommended
Norway House	Heat Trace Replacement	450,468.0	65	Recommended
Pelican Rapids	Community Hall Replacement	400,000.0	N/A	Recommended (see minutes)
Sherridon	Trailer Court Bridge Replacement	344,730.0	75	Recommended
Wabowden	Playground Upgrade	102,576.0	55	Recommended
	Total Recommended Amount	**$1,484,577.0**		

NORTH CENTRAL REGION				
Maintain/Replace Existing				
Community	**Project**	**Cost**	**Score**	**Comments**
Spence Lake	Road Upgrade	114,497.0	15	Not Recommended
	Total Recommended Amount	**0**		
	Grand Total	**$1,484,577.0**		

Category III – New Infrastructure – 2013 Capital Approval Board

NORTHERN REGION				
New Infrastructure				
Community	**Project**	**Cost**	**Score**	**Comments**
Easterville	Fuel Storage	23,951.0	40	Recommended
Norway House	Truck with Two-Way Adjustable Plow	224,887.0	40	Recommended
	Total Recommended Amount	**$248,838.0**		

NORTH CENTRAL REGION				
New Infrastructure				
Community	**Project**	**Cost**	**Score**	**Comments**
Waterhen	Fireproof Storage	80,154.0	20	Not Recommended
Waterhen	Water Treatment Plants Diesel Back-up Generator	253,369.0	55	Recommended
	Total Recommended Amount	**$253,369.0**		
	Grand Total	**$502,207.0**		

Section II

Minutes

Capital Approval Board
Minutes
September 17 & 18, 2013
Viscount Gort, Winnipeg, MB

The meeting was called to order at 9:00am.

1. The following resource material was reviewed with board members by departmental staff:

    1. Agenda
    2. Departmental Vision and Mission
    3. Capital Program Policy
        - Board Principles
        - Project Criteria
        - Building Funding Principles
        - Surplus Funding and Carry Over Funding Principles
    4. Definition of Municipal Services
    5. Vehicle Replacement Policy
        - Vehicle Replacement Guidelines
    6. Guidelines for Community Municipal Infrastructure
    7. Project Assessment Form
    8. Allocation of funds for 2014/2015
    9. Recommendations for Continuous Improvement

2. The Departmental Five-Year Capital Plan was presented by Albert Sandberg.

3. Board members agreed to using a sliding scale (0, 5, 10, 15) for questions found in the Need portion of the Project Assessment Form. The Board also agreed to a sliding scale (0, 5, 10, 15, 20, 25) for the question, "how critical is this project".

4. The Board agreed that a group rating method would be followed and decisions would be determined by a consensus of the members. If consensus could not be reached, a second democratic vote would occur.

5. Board members were advised that to avoid conflict of interest issues, board members can be present for project presentation but must leave the room for the project assessment rating if the project is from their home community.

6. The Board assessed all projects submitted utilizing the project assessment form provided. Recommendations were made based on the completeness of applications, available funding and those applications which received a score of 40 points or better.

Category #2 – Maintaining/Replacing Existing Infrastructure		
Community	**Project**	**Amount**
Dawson Bay	Community Hall Siding Replacement	37,318.0
Easterville	Public Works Water Truck	25,106.0
Easterville	Admin Building Indoor Lighting Upgrade	20,844.0
Gods Lake Narrows	New Sewage Truck	103,535.0
Norway House	Heat Trace Replacement	450,468.0
Pelican Rapids	Community Hall Replacement	400,000.0
Sherridon	Trailer Court Bridge Replacement	344,730.0
Wabowden	Playground Upgrade	102,576.0
		$1,484,577.0
Category #3 – New Infrastructure		
Community	**Project**	**Amount**
Easterville	Fuel Storage	23,951.0
Norway House	Truck with Two-Way Adjustable Plow	224,887.0
Waterhen	Water Treatment Plants Diesel Back-up Generator	253,369.0
	Subtotal	**$502,207.0**
	Total	**$1,986,784.0**
	Balance Remaining	**$1,013,216.0**

7. Armand Barbeau, Director, Northern Region, requested the board consider a community hall project in Pelican Rapids which did not fall within the Capital Approval Board process. The application was not submitted by the May deadline, was not subject to pre-screening and was not present in the capital binders for presentation. The application was not submitted due to a fire May 5, 2013. However the board determined, based upon the verbal presentation to recommend the project at $400,000.0 for delivery in 2014/2015.

8. The Board provided the following recommendations for continuous improvement for the Department to consider:

- Service areas defined for vehicle replacement guidelines – how is this defined? Clarify in the policy/application/assessment sheet – provide justification, have other options.
- Make the department's role in the ranking clear – is it the director or technical staff, or perhaps two members from that region?
- The department look at vehicle costs to ensure they are reflective of current values.
- More information be provided regarding what constitutes a prior commitment.
- All environmental orders/issues should be brought to the board.
- Project assessment – sustainability of the project, please review and revise.
- Project assessment - is there an internal/external document for this project, please provide more clarity?
- Project assessment – emergency, please clarify.
- Project assessment - is it well planned? – please provide more clarity.
- Project assessment – need, legal opinions. Is this required; perhaps keep only the last bullet?
- Greater flexibility in assessing projects at the regional level and at the CAB – the board would like the option of moving something along though missing information.
- All applications that come to CAB must be screened and not removed.
- Perhaps remove the pre-screening process all together. Look at having one pre-screening including all representatives. Joint pre-screening as opposed to what exists – have chair present at pre-screening.
- Communities should have more time to adjust applications in regards to financing.
- Letters that went to communities after first intake should be attached the pre-screening application.
- Provide binders to board prior to meeting (1 or 2 days) in advance.
- Include census data in the process manual from past years.
- Stagger board member terms.
- Look at more time for CAB meetings (3 or more days).
- Communities would like a letter sent to communities when their project application has been screened out or successful at the CAB.
- What constitutes a conflict of interest, definition or how it applies to CAB? Ranking and conflict of interest, why must we be removed from the room?

8. The meeting was adjourned at 5:00 pm on September 18, 2013.

Section III

Funding Allocation

2014/2015 Allocation for Planning Purposes Only

The full year allocation as per the Loans Act is $3,000,000.00 and may be approved in any of the two categories as long as they do not go over the total yearly allocation.

Total Funds Available		**$3,000,000.00**
1. Maintain Existing Standards of Service	- 20%	2,000,000.00
2. New Justified Projects	- 10%	1,000,000.00
		$3,000,000.00

Funding is allocated as outlined above. The % used for these categories has been evaluated this year and may vary for the future years depending on the analysis of the communities' five year plans.

Section IV

Recommended Projects

2013 Board Recommendations
2014/2015 Delivery

*** Note:** Legislative projects are recommended by departmental staff and are not reviewed and recommended by Capital Approval Board members.

Category #1 – Legislative (2012/2013)

Community	Project	Amount
Gods Lake Narrows	Sewage Treatment Plant	1,000,000.0
Moose Lake	Waste Disposal Site	1,200,000.0
Nelson House	Lagoon Engineer and Design	200,000.0
Nelson House	Pump House	450,000.0
Pelican Rapids	Water Treatment Plant Construction Engineer and Design	1,080,000.0
Sherridon	Water Treatment Plant Expansion	1,397,500.0
Bissett	Water Treatment Plant	2,000,000.0
Manigotagan	Water Treatment Plant Upgrade	100,000.0
Matheson Island	Waste Disposal Site	200,000.0
	Subtotal	**$7,627,500.0**

Category #2 – Maintaining/Replacing Existing Infrastructure (2013)

Community	Project	Amount
Dawson Bay	Community Hall Siding Replacement	37,318.0
Easterville	Public Works Water Truck	25,106.0
Easterville	Admin Building Indoor Lighting Upgrade	20,844.0
Gods Lake Narrows	New Sewage Truck	103,535.0
Norway House	Heat Trace Replacement	450,468.0
Pelican Rapids	Community Hall Replacement	400,000.0
Sherridon	Trailer Court Bridge Replacement	344,730.0
Wabowden	Playground Upgrade	102,576.0
	Subtotal	**$1,484,577.0**

Category #3 – New Infrastructure (2013)

Community	Project	Amount
Easterville	Fuel Storage	23,951.0
Norway House	Truck with Two-Way Adjustable Plow	224,887.0
Waterhen	Water Treatment Plants Diesel Back-up Generator	253,369.0
	Subtotal	**$502,207.0**
	Total	**$9,614,284.0**
	Available	**$10,000,000.0**
	Balance Remaining	**$385,716.0**